

California Carpet Stewardship Plan

Adoption of Negative Declaration and
Approval of Carpet Stewardship Plan

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By Kathy Frevert, CalRecycle
Kathy.Frevert@calrecycle.ca.gov, 916-341-6476

Presentation covers...

- General approach of EPR programs
- Items being approved/adopted
 - Negative Declaration
 - Conditional Approval of the California Carpet Stewardship Plan
- Expectations ahead

Why Carpet and Paint?

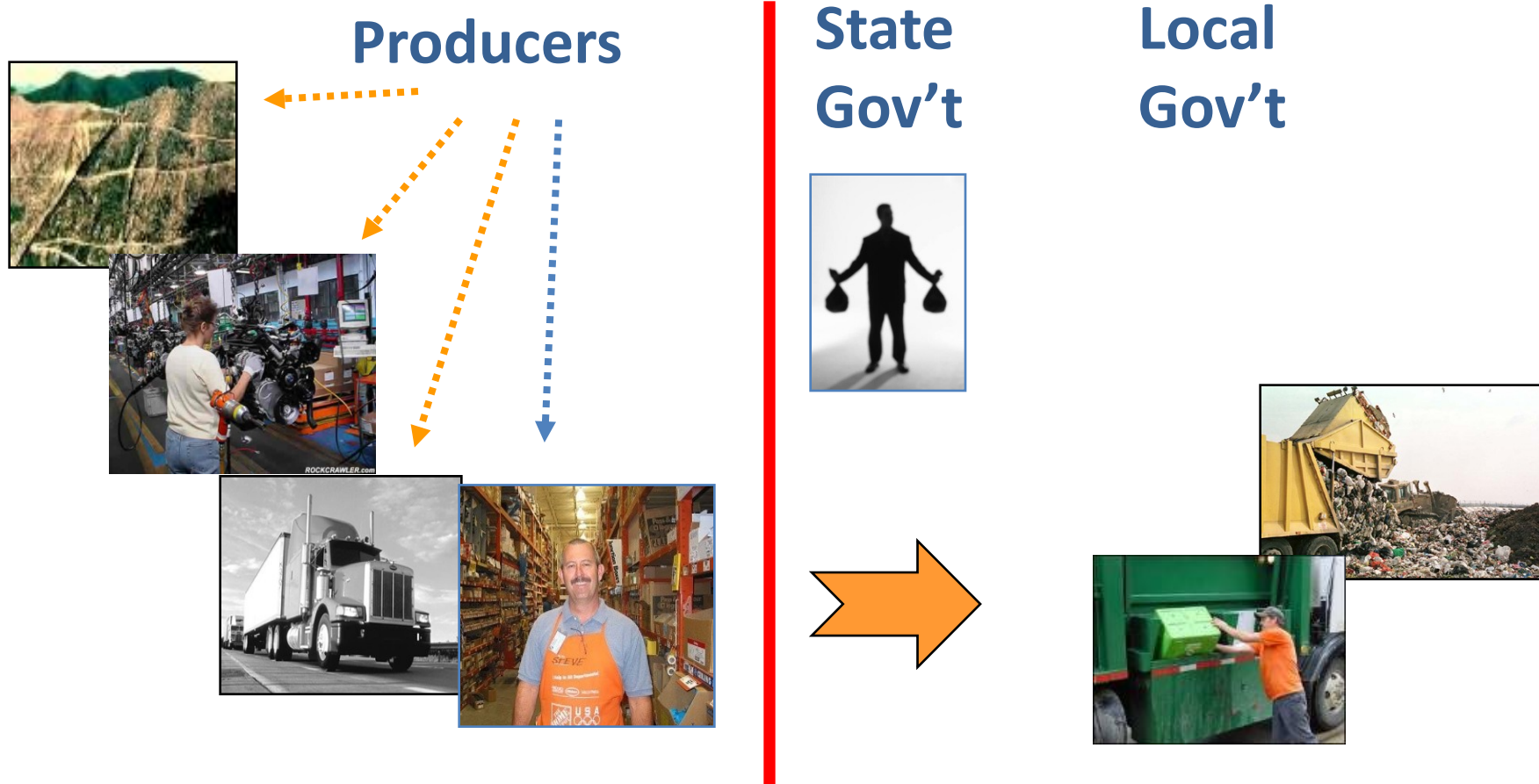


- Carpet: 3.2 percent of waste by volume in CA (2008) - top 10 item



- Paint: almost 1/3 of the HHW collected through local HHW programs (2009); costs local government millions of \$ to manage

Typical: Waste is a Local Responsibility



Slide Courtesy of California Product Stewardship Council (with modification)

Product Stewardship

Producers (brand owners) oversee



Slide Courtesy of California Product Stewardship Council (with modification)

Carpet Recycling (AB 2398)

- One of first product stewardship laws in California
- Carpet America Recovery Effort (CARE) is the stewardship organization, operating on behalf of manufacturers

CARE: Stewardship Organization

- **CARE develops plan and implements program** in California with its partners
- **CARE collects and distributes funds** according to a stewardship plan, approved by CalRecycle
- **CARE reports on progress**
- **CARE adjusts plan to ensure good progress**

CalRecycle Role: Ensure Fairness

Oversight and Enforcement

- Review and approve stewardship plans
- List compliant manufacturers at website
- Review annual reports and check progress
- Ability to assess civil penalties to anyone in violation of any provision



Key Implementation Dates

Develop Regulation	July 2011 – Jan 2012 Regulation adopted Nov 15, 2011
Collect Initial Assessments	July 1, 2011 (visible assessment on consumer receipt)
SO/Mfrs Submit Plan	Sept 2011 (revised Oct 2011)
CalRecycle Approves Plan	March 31, 2012 (due date) Under review Dec 2011 Jan 17, 2012 Public meeting to consider approval
Implement Plan	April 1, 2012 (initial funds can be distributed prior to plan approval)
Mrfs Submit annual report	July 1, 2013 annually thereafter
CalRecycle to review and adopt finding on annual report	60 days after received

Green = already occurred or is happening

Plan Approval: Major Steps

1. Adopt Negative Declaration
2. Approve Plan
 - a) Conditional Approval
 - b) Final Approval (on or before Dec 2012)

Step 1: Adoption of Negative Declaration

- Prepared an Initial Study, made determination, prepared Negative Declaration
- Circulated the proposed Negative Declaration and Initial Study and Notice of Intent to Adopt a Negative Declaration (Dec 2011)
 - To stakeholders and state agencies
 - Published in three newspapers
- Comment period closed (Jan 16, 2012)

Step 1: Adoption of Negative Declaration continued

- Considered comments received during the public review process
- Determined that there is no substantial evidence the project will have a significant adverse effect on the environment
- Recommend adoption.

Step 2: Plan Approval

- California Carpet Stewardship Plan
 - CARE prepared and submitted Plan (Sept 2011)
 - CalRecycle reviewed & commented
- Overall finding:
 - Plan conforms to requirements of statute
 - Overall, most of the plan is ready for approval, staff recommend conditional approval

Financial Element of Plan

- Financial approach in Plan
 - CARE: continues 5¢/sq yd assessment at point of sale
 - subsidy to recycling processors for their output
- Incentives intended to make recycling activities more economically viable and spur achievement of recycling and diversion goals

Key Concerns / How addressed

- **Data reliability** – establish baseline based on California-specific data
- **Goals are too low** – reconsider goals using better data
- **Statewide coverage** – rural pilot implementation
- **Program fairness** – all accounting and auditing performed to generally accepted standards

Key Concerns / How addressed

(continued)

- **Is the incentive adequate?** – monitor and reevaluate, change if needed (discuss as part of annual report)
- **Should funds be spent more quickly?** - funds can be spent more quickly than shown in the plan, if processing occurs
- **What to do with build up of “unrecyclable material” at processing facilities?** – suggests need for improved processing effectiveness and education; more selective collection

Step 2: Plan Approval Continued

Conditional approval contingent on:

- CARE will revisit the baseline, measurement methodology (formula) in late summer/fall of 2012, and develop goals based on CA data
- CARE will fully implement the rural pilots
- CARE will add language to ensure that all audits are performed in accordance with GAGAS (auditing stds)
- CARE will resubmit the Plan by December 31, 2012

Expectations Ahead

- CARE will take necessary steps to address the conditional approval so an updated Plan is ready for final approval in December 2012.
- CARE will reach out to stakeholders to implement the Plan and continually seek improvements.

CalRecycle Carpet Contacts

- Kathy Frevert

Kathy.Frevert@calrecycle.ca.gov

916-341-6476

- Fareed Ferhut

Faridoon.Ferhut@CalRecycle.ca.gov

(916) 341-6482

CARE Carpet Contacts

- Carpet America Recovery Effort (CARE)
730 College Drive, Dalton, Georgia 30720
- Georgina Sikorski, Executive Director
Anthony Cline, Operations Manager
- Phone: 706-428-2127
- <http://carpetrecovery.org/AB2398.php>
(California Carpet Stewardship)
- <http://carpetrecovery.org/contact.php>
(sending in questions)